



SUBMISSION BY CANADA

Results of the first global stocktake

The Government of Canada is pleased to submit its views on the elements for the consideration of outputs component of the global stocktake (GST).

The GST is a core component of the ambition cycle of the Paris Agreement. It represents an important moment to demonstrate global accountability and responsiveness, and a critical opportunity to course correct and realign our collective and individual efforts with the long-term goals of the Agreement. Elements of the GST decision should draw from the numerous inputs taken into consideration during the technical dialogues, including the latest reports of the Intergovernmental Panel on Climate Change (IPCC). It should further draw on the outputs of the technical dialogue, namely the GST Synthesis Report.

Overall, the GST decision adopted at COP28 must do two things:

1. **Describe in the clearest of terms the extent to which the international community is on track to meet the long-term goals of the Paris Agreement.** This must strike a balance between the deep concerns about the considerable gaps in both ambition and implementation that persist today, and messages of optimism based on the significant progress achieved, and the potential to accelerate action everywhere and at all levels of society to meet the long-term goals of the Paris Agreement. .
2. **Define how the international community will respond in the near and long-term to accelerate progress and close remaining gaps to meet the goals of the Paris Agreement.** The responses to the GST must be multifaceted, outlining the areas in which Parties and other actors will undertake further climate action where needed, while respecting the provisions of the Paris Agreement, including national determination. The decision must strike a balance between backward-looking elements on collective progress, and forward-looking responses

The remainder of this submission presents detailed elements which in Canada's view should be reflected in the GST decision. The headings reflect the "indicative draft structure" from SB58. In relation to Article 2.1(c) and means of implementation and support, this submission uses Alt. 4, which Canada views as the option that is most consistent with the Paris Agreement and its long-term goals. The elements presented in each section are non-exhaustive and serve to indicate Canada's priorities.

A. PREAMBLE

As is standard practice, the preamble should recall the Paris Agreement and its long-term goals as contained in Article 2.1 and Article 7.1. This section should further recall Article 14 and decision 19/CMA.1.

B. CONTEXT AND CROSS-CUTTING CONSIDERATIONS

This section of the decision should contain overarching messages on the state of climate change and international efforts to address it under the Paris Agreement. Paragraphs in this section should, inter alia:

- **Reflect on the success and importance of the GST as a core aspect of the Paris Agreement's ambition cycle:**
 - Welcome the summary reports and factual synthesis report of the technical dialogue as important and informative sources of information reflecting the significant contributions of both Parties and non-Party stakeholders to the GST process.

- **Highlight the urgent state of climate change and its connection with other environmental crisis:**
 - Underscore the urgency for action across all the goals of the Paris Agreement given current global warming and its impacts, and the fact that some additional warming is inevitable which will further stress people and nature.
 - Acknowledge the world is facing the unprecedented triple global crises of climate change, biodiversity loss and pollution that are mutually compounding and intrinsically linked.

- **Reflect on the success of the Paris Agreement and the gains made as a result of global climate action:**
 - While progress has been insufficient in many areas, the Paris Agreement is working and has led to a significant expansion of climate action globally. This is evidenced by the fact that all Parties to the Paris Agreement have come forward with new policies, plans and measures reflecting their unique capacities and national circumstances. Ongoing technical work under the Paris Agreement and bodies of the UNFCCC has provided important tools and guidance to help countries advance action that is more effective. Moreover, international momentum behind the implementation of the Paris Agreement has boosted important attention on the need for climate action across other international bodies and fora

- Ambitious climate action is being driven at all levels, from global to regional, national to local. Feasible, effective, and low-cost options for mitigation and adaptation are increasingly available.
- **Highlight the important role of both best available science and equity in the context of the GST, as well as the importance of Indigenous Knowledge and science:**
 - Equity and the best available science were considered in a cross cutting and party-driven manner throughout GST1.
 - The IPCC is a critically important and authoritative source of the best available science on climate change, its impacts and future risks, and options for and approaches to mitigation and adaptation. IPCC reports are vital sources of information to inform policy making and international cooperation. Scientific knowledge of climate change has improved substantially, including with regard to pathways for limiting global warming to 1.5 degrees and with regard to impacts at 1.5C compared to higher levels of warming.
 - To further deepen our understanding of climate change, its impacts, and solutions, the international community must also ethically and equitably engage Indigenous Knowledge, Indigenous science, and Indigenous ways of knowing and being, with a view to addressing current and future knowledge gaps.
 - As reflected in the GST Synthesis Report, increasing the consideration of equity can enable greater ambition in climate action and support and increase the likelihood of meeting the long-term goals of the Paris Agreement. Dimensions of equity include just transition, strengthening resilience, sustainable development, environmental protection, poverty eradication and human rights. Considering equity at the global scale, it is clear and concerning that communities that have contributed the least to climate change now face the most severe impacts.
 - The international community has a duty to support the poorest and most vulnerable, and to ensure that no community nor country is left behind. Climate action should not only be ambitious, but also fair and just. It creates opportunities for innovation as well as economic and social development that need to be accessible to all. Addressing important and ongoing inequities can and will help raise the overall level of ambition the international community can achieve.
 - Countries' national circumstances and capabilities have evolved significantly and differently in recent decades. This must be considered accurately and fairly as we reflect on the efforts needed from all in order to keeping 1.5 within reach.

- **Highlight that Parties should, when implementing the Paris Agreement and undertaking action to address climate change, respect, promote and consider their respective obligations on human rights and the rights of Indigenous Peoples:**
 - Parties, Constituted Bodies, and the Financial Mechanism must put in place safeguards for human rights and the rights of Indigenous Peoples in climate policies and action, including projects and activities designed or implemented by Constituted Bodies or funded by the Financial Mechanism. Climate action should be planned and implemented in an inclusive, intergenerational and gender-responsive manner to ensure that climate actions are relevant and just.
- **Highlight transparency as an important underpinning of the GST and Paris Agreement:**
 - Recognize the essential role of the enhanced transparency framework to promoting effective implementation of the Paris Agreement.

C. Collective progress towards achieving the purpose and long-term goals of the Paris Agreement, including under Article 2, paragraph 1 (a-c), in the light of equity and the best available science, and informing Parties in updating and enhancing, in a nationally determined manner, action and support.

C1. MITIGATION

Highlight progress made since the adoption of the Paris Agreement and remaining gaps:

- The Paris Agreement has mobilized unprecedented global efforts to reduce greenhouse gas emissions, as evidenced by the communication of NDCs by all Parties. Global efforts since Paris have reduced projected global warming by 2100.
- There are significant, immediately available, cost-effective opportunities in all sectors and across all GHGs to place the world on a 1.5°C trajectory.
- Despite this progress, we are not on track to meeting the long-term temperature goal and have already reached 1.1°C of global warming. The latest UNFCCC Synthesis Report of NDCs finds that the total global greenhouse gas emission level in 2030, taking into account implementation of all latest NDCs, is estimated to be 0.3% below the 2019 level, which is not in line least-cost scenarios for keeping global temperature rise to 2 or 1.5 °C.
- Collectively, our commitments, goals, and pledges are insufficient and not adequately backed by mitigation plans, policies, and measures. Insufficient progress toward the long-term temperature goal poses a threat to humans and ecosystems and undermine our ability to adapt to climate change and its impacts, and to avert and minimize loss and damage associated with the adverse effects of climate change.

The global response to limit global warming to 1.5 degrees should include the following elements:

- All actors must urgently scale up mitigation ambition and implementation during this critical decade and beyond. Parties with the greatest capabilities to contribute to a global response to limit global warming to 1.5 degrees have the most important role to play in this regard.
- Informed by the best available science, collective action is needed to peak global greenhouse gas emissions as soon as possible and no later than 2025. According to the IPCC, to keep 1.5 within reach global greenhouse gas emissions must be reduced by around 43% below 2019 levels by 2030, and by around 60% below 2019 levels by 2035, and achieve net-zero CO₂ emissions by or around 2050.
- NDCs communicated in 2025 must be more ambitious and more transparent. The most important task of the GST is to inform Parties' NDCs, both current and future, and ensure the targets therein close the remaining emissions gap to limiting global warming to 1.5 degrees. **In this regard, the decision text must contain specific guidance for NDCs, including the following:**
 - Building on Article 4.4, urge Parties, in particular those with the greatest capability, to keep global warming to below 1.5 degrees, to include all greenhouse gases, sectors, and categories in their next NDC, with emissions trajectories that reflect their highest possible ambition in light of different national circumstances, in line with the temperature goal of the Paris Agreement. Developed country Parties have demonstrated leadership in this regard.
 - In light of Article 4.2, highlight the importance of implementing ambitious mitigation policies, plans and measures domestically with the aim of achieving NDCs. Urge Parties to pursue mitigation policies, plans and measures that are credible and transparent.
 - Recall the invitation in decision 19/CMA.1 for Parties to present their nationally determined contributions, informed by the outcome of the GST, at a special event held under the auspices of the Secretary General of the United Nations.
- Recall that Parties shall submit their first biennial transparency reports by December 31, 2024, which will be crucial for tracking progress on Parties' NDC implementation efforts. Transparency is critical to ensuring the credibility and accountability of our mitigation efforts. Through the ongoing and facilitative sharing of experiences, Parties should accelerate collaboration and sharing of good practices and identify opportunities for improving capacity, data collection systems, data quality and MRV in support of clarity and tracking of progress.

- Enhanced global efforts to decarbonize key sectors. This includes:
 - Accelerating the phase-out of unabated fossil fuels, so as to achieve net zero in energy systems by 2050 at the latest, in line with the trajectories required to limit global average temperatures to 1.5°C above preindustrial levels.
 - Immediately ceasing the construction of new unabated coal-fired power generation projects, and rapidly phase out domestic unabated coal power generation by 2030.
 - Tripling renewable energy capacity globally by 2030. Notwithstanding the urgency, rapid deployment of renewable energy cannot come at the expense of human rights and the rights of Indigenous Peoples and must be designed and implemented in an inclusive and rights-based manner.
 - Doubling the existing rate of improvement of energy efficiency globally by 2030, and improving energy efficiency in the buildings sector, aiming to decrease global average energy consumed per square meter in buildings by 45 percent by 2030 from 2021 levels.
 - Reduce global methane emissions at least 30% from 2020 levels by 2030, which could eliminate over 0.2°C warming by 2050. Reinforce cooperation under the Global Methane Pledge, including support to countries to advance their efforts.
 - Accelerate the deployment of carbon management technologies – carbon capture, utilization, and storage (CCUS), bio-energy carbon capture and storage (BECCS), and carbon dioxide removal (CDR) technologies – recognizing carbon management is one of the IEA’s four key pillars for accelerating action this decade, in order to keep the Paris Agreement goals in reach.
 - Accelerate efforts to mitigate emissions and sequester carbon in the agriculture sector, as well as efforts to improve sustainability (environmental, economic, and social) to ensure global food security.
 - Halt and reverse forest loss and land degradation by 2030, building on the Glasgow Leaders’ Declaration on Forests and Land Use.
 - Accelerate efforts to decarbonize the maritime and aviation sectors, recognizing international cooperation and the respective 2050 and net-zero goals under the International Maritime Organization and International Civil Aviation Organization.

In addition to the above elements, the mitigation section should also identify opportunities for

the mitigation outcomes of the GST to be reflected in the Sharm el-Sheikh mitigation ambition and implementation work programme, and ministerial roundtable on pre-2030 ambition.

There are multiple opportunities for other processes, bodies, and experts within the UNFCCC architecture to follow up and build on mitigation related outcomes of the GST.

- Recall the objective of the Sharm el-Sheikh mitigation ambition and implementation work programme, to urgently scale up mitigation ambition and implementation in this critical decade in a manner that complements the global stocktake. The co-chairs of the work programme should take into consideration the outcomes of GST1 to inform themes and priorities for future technical discussions, dialogues, and investment-focused events.
- Recall and update, as necessary, the secretariat's mandate to prepare synthesis reports on NDCs and long-term strategies on an annual basis. Request additional synthesis reports on commitments made by Parties in the mitigation section of the Glasgow Climate Pact and reiterated in the Sharm El-Sheik Implementation Plan.

C2. ADAPTATION

Highlight progress made since the adoption of the Paris Agreement and remaining gaps:

- Adaptation planning and implementation has progressed across all sectors and regions, including through the development and implementation of national adaptation plans, adaptation communications, and other strategies by many Parties. Parties and other stakeholders have made progress towards enhancing adaptive capacity, strengthening resilience, and reducing vulnerability since the adoption of the Paris Agreement.
- While the ability to adapt to adverse impacts has grown, it is not yet sufficient to protect communities and ecosystems from increasingly frequent and intense impacts.
- Note with concern the findings in IPCC AR6 that adaptation progress is unevenly distributed across regions and mostly fragmented and small in scale, and that risks are increasing with every increment of warming. Increasing weather and climate extreme events, including wildfires, floods, droughts, and extreme heat, threatens to undermine sustainable development, including by exposing millions of people to acute food insecurity and reduced water security.
- At current rates of adaptation planning and implementation, the adaptation gap will continue to grow, and the international community is not yet prepared to meet the climate impacts we are already seeing and which according to science, will only get more severe at higher levels of warming. Rapidly reversing this trend is a global priority, while recognizing the urgent and immediate needs of those developing countries that are particularly vulnerable to the adverse effects of climate change. While a greater focus on adaptation and resilience is a global necessity, absent ambitious efforts to reduce

greenhouse gas emissions and limit global warming to well below 1.5 degrees, additional human and natural systems will reach their adaptation limits.

The global response to accelerate progress on adaptation should include the following elements:

- Recognition of the critically important work of the Glasgow-Sharm el-Sheikh work programme on the global goal on adaptation. Key elements of the response to the GST on adaptation should reference and/or reflect the CMA5 decision on the framework on the global goal on adaptation.
- Strengthening efforts to support local engagement and locally led climate adaptation, including Indigenous climate leadership, to reduce risks of maladaptation.
- Building participatory, inclusive governance processes, such as adaptive co-management and community-based planning, and integrating communities on the frontlines of climate change, including Indigenous Peoples, in these processes.
- Mainstreaming climate considerations across institutions, organizations, other multilateral environmental agreements, and decision-making processes and integrating adaptation considerations into institutionalized decision cycles, such as budgetary processes, to encourage sustainable development in all sectors.
- Stronger efforts globally to deepen our shared understanding of climate risks, vulnerabilities, and adaptation solutions. This includes the importance of ethically and equitably engaging with Indigenous Knowledge and Indigenous science.
- Recognition of the importance of the enabling conditions for effective adaptation, as identified by the IPCC, including political commitment and follow-through, institutional frameworks, policies and instruments with clear goals and priorities, enhanced knowledge on impacts and solutions, mobilization of and access to adequate financial resources, monitoring and evaluation, and inclusive governance processes.
- Parties should adopt a transformational approach to adaptation planning, with a view to transformation of systems for strengthened resilience and reduced vulnerability.
- Encourage all Parties to formulate and begin implementing national adaptation plans, or other national adaptation policy instruments, by 2030 at the latest.
- Encourage Parties to strengthen the consideration and integration of the biodiversity-climate nexus as part of their adaptation plans, policies, and measures. This includes underlining the benefits of nature-based solutions, to adaptation, paying more attention to nature and ecosystem services, including their contribution to minimizing the impact of climate change and ocean acidification on biodiversity and increasing its resilience. The

potential for the conservation and sustainable use of biological diversity to contribute to adaptation measures taken under the UNFCCC should be acknowledged and emphasized.

- Acknowledge that global food systems and agriculture must urgently adapt and transform in order to respond to the imperatives of climate change and recognize the depth of opportunity to reimagine, upgrade and deploy food systems and agriculture as powerful mechanisms for both responding to climate change as well as for unlocking inclusive green growth and prosperity for all.
- Emphasize the importance of making health systems more resilient to climate change impacts. One of the best ways to protect human health and well-being from current and future impacts of climate change is for individuals and health authorities to increase adaptation action.
- All Parties, as part of their national adaptation processes, should identify national, regional, and subnational (as relevant) adaptation priorities, and monitor adaptation outcomes and best practices, which should be published via adaptation communications, national adaptation plans, and other UNFCCC reporting tools. In particular, the GST should encourage Parties to submit or update their adaptation communications by 2025 and update them regularly thereafter. This will allow for an improved assessment of progress on adaptation globally.
- Strengthened efforts to address existing gaps in the Global Climate Observing System, particularly in developing countries, as well as the need to enhance coordination of activities by the systematic observation community and the ability to provide useful and actionable climate information for mitigation, adaptation, and early warning systems, as well as information to enable understanding of adaptation limits and of attribution of extreme events.

In the context of the GST decision, for the role of existing UNFCCC bodies and programmes (e.g., the Adaptation Committee, Least Developed Countries Expert Group, and Nairobi Work Programme) to follow up on the outcomes of GST1 must be defined.

C3. MAKING FINANCE FLOWS CONSISTENT WITH A PATHWAY TOWARDS LOW GREENHOUSE GAS EMISSIONS AND CLIMATE RESILIENT DEVELOPMENT

Highlight progress made since the adoption of the Paris Agreement and remaining gaps:

- The Paris Agreement has played an important role in encouraging the alignment of financial flows with low carbon and climate resilient development, beginning with establishing it as a goal of the Agreement. Global finance flows have increased for investments in industries that work towards mitigating and adapting to climate change.

- However, progress in implementing Article 2.1(c) of the Paris Agreement is uneven across sectors, regions, and actors, and importantly falls short of what is needed to ensure a low carbon and climate resilient future. For example, The IPCC Special Report on 1.5 estimated that an additional USD830 billion is needed in energy-related investments every year from 2016 to 2050 to limit warming to 1.5°C. Significant finance flows remain inconsistent with the long-term goals of the Paris Agreement, including a continued high level of inefficient fossil fuel subsidies: in 2022, the IEA estimated that annual global fossil fuel subsidies reached USD 7 trillion.
- Despite these ongoing gaps and challenges, there exists sufficient global capital and liquidity to close global mitigation and adaptation investment gaps. The global economy must work together to support this transformation, by sending clear signals on the required pathways and actions to achieve Paris-aligned public and private financial flows.
- Achieving Article 2.1(c) will require a whole-of-economy approach, including enhanced efforts from all countries and the full engagement of the public and private sector. Absent a better alignment of global financial flows – international and domestic, public, and private – the international community will be unable to meet the long-term temperature goal or the goals on adaptation.

The global response to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development should include the following elements:

- Parties and non-Party stakeholders must scale up efforts to align domestic and international financial flows with the goals of the Paris Agreement, as reflected by its Article 2.1.c, as a means to achieve both our mitigation and adaptation objectives. It is important to recognize that some countries, due to different national circumstances and limited capacity, will face challenges in this regard, and that all efforts are welcome and needed.
- Clear policy signals must continue to be made by the public sector to support the alignment of financial flows. This should be done most prominently through policies that create enabling environments, as well as clear and ambitious NDCs, LTSs, and NAPs aligned with the Paris Agreement goals that set a clear course for investments from all actors both domestically and internationally, public and private.
- Parties should recognize the importance and encourage the use of further policy measures that emphasize reducing emissions and incentivizing Paris-aligned investment, including carbon pricing. To date, 23 percent of global greenhouse gas emissions are covered by carbon pricing instruments. This has helped to generate USD 95 billion in revenues in

2022¹. The expansion of carbon pricing policies has widely been acknowledged as one of the most efficient ways to reduce greenhouse gas emissions.

- Parties must work closely with private sector actors that can help to facilitate the redirection of financial flows towards climate action and climate resilient development by creating the right enabling environments and de-risking investments, including through the use of innovative instruments such as guarantees, green bonds, and blended finance as well as encouraging stronger dialogue between public and private actors to understand the challenges and opportunities to achieving Paris-aligned financial flows and address information asymmetries and knowledge gaps.
- Recognizing Article 2.1c's dual objective to making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development, Parties must make enhanced efforts to scale up finance for climate resilient development including by working with private actors to strengthen enabling environments. As the frequency and severity of extreme weather events increase, the costs of protecting communities, livelihoods and businesses will continue to rise. As noted in the OECD's 2018 Climate-resilient Infrastructure Paper, the risk of insurance premiums increasing in future due to climate change rests with the private sector.
- Acknowledging the role of international financial institutions and funds in channeling public finance and in mobilizing private finance. These institutions should be reformed to make better use of their existing capital to address global challenges such as climate change.
- Acknowledging that tools such as Climate Resilient Debt Clauses can provide relief to borrower countries experiencing climate crises and natural disasters.
- Parties should end new direct public financing for the international unabated fossil fuel energy sector, and commit to and eliminate inefficient fossil fuel subsidies. According to the International Monetary Fund, have reached historical levels in 2023. Inefficient subsidies encourage wasteful consumption, reduce energy security, impede investment in clean energy sources and undermine efforts to cope with the threat of climate change.
- Parties should take steps to re-purpose harmful subsidies in the agri-food sector through policy reforms. Global agriculture and food systems must urgently adapt and transform to respond to the imperatives of climate change.
- Parties and non-Party stakeholders should promote international sustainable finance standards and continue to improve the disclosure of climate-related financial risks, including by encouraging or mandating organizations to disclose, and further developing

¹ The World Bank, "[State and Trends of Carbon Pricing in 2023](#)".

the tools and methodologies needed for firms to effectively implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and publish credible Paris-aligned transition plans.

- Highlight opportunities to align biodiversity financing, alongside other sustainable development financing, to attain gains across the objectives of the Rio Conventions and other multilateral environmental agreements.

There are also opportunities to strengthen ongoing work within the UNFCCC in relation to Article 2.1c of the Paris Agreement. In particular:

- The Sharm el-Sheikh dialogues have been valuable, and demonstrated the importance of having a space to discuss Article 2.1c of the Paris Agreement. As a next step, the GST decision should set out a mandate to establish a dedicated process under the Paris Agreement for responding to Article 2.1c. This can be achieved via the establishment of an agenda item on Article 2.1c as an outcome of the GST/CMA5.
- A dedicated space would work towards demonstrating the transformative potential of Article 2.1c, by developing metrics and targets to track progress, giving Parties the opportunity to clarify its scope and send signals and guidance to all actors on its implementation, exchange best practices, and avoid unintended negative impacts.

C4. MEANS OF IMPLEMENTATION AND SUPPORT

Finance

Highlight progress made since the adoption of the Paris Agreement and remaining gaps:

- Climate finance has been scaled up globally in recent years. Preliminary estimates from the Climate Policy Initiative indicate that in 2021 total climate finance flows amounted to a figure ranging from USD 850 to USD 940 billion². A range of actors, international and domestic, public, and private, have contributed to this effort – this emphasizes the vital need to adequately leverage all potential sources of climate finance to reach the scale required to address growing needs. Enhancing means of implementation and support, including scaling-up finance and financial support, continues to be a critical enabler for achieving the long-term goals of the Paris Agreement.
- According to the Organization for Economic Cooperation and Development (OECD), climate finance mobilized in the context of the USD100 billion goal reached USD83.3 billion in 2020, up from an estimated USD44.6 billion in 2015. Though not fully achieved in 2020, developed countries remain fully committed to the goal of jointly mobilizing USD 100 billion per year to address the needs of developing countries,

² Climate Policy Initiative, “Global Landscape of Climate Finance: A Decade of Data” [Global Landscape of Climate Finance: A Decade of Data - CPI \(climatepolicyinitiative.org\)](https://www.climatepolicyinitiative.org/publications/global-landscape-of-climate-finance-a-decade-of-data)

through to 2025, in the context of meaningful mitigation actions and transparency on implementation. Climate finance contributors are confident that the goal will be met in 2023, as reaffirmed in the Climate Finance Delivery Plan Progress Report, published in 2022.

- Developed countries have also continued to take steps to scale-up adaptation finance, with a view to reaching a balance between mitigation and adaptation finance. Contributors are also working to ensure that climate finance adequately reflects the needs of developing countries and to improve transparency.
- While progress has been made to scale up climate finance provided and mobilized, current climate finance flows are dwarfed by the needs of developing countries. Furthermore, it is clear that public grant-based finance from traditional contributors—while it remains a key tool to support climate action—cannot meet needs of this scale. Meeting the goals of the Paris Agreement requires scaling up finance while simultaneously working to improve their effectiveness. Building on progress to date, striving to harness untapped climate finance flows from all actors, both public and private, domestic and international, and working to ensure other flows do not undermine the impact of climate finance is key to effectiveness.

On the scaling up and delivery of climate finance, the global response should include the following elements:

- A continued effort from contributor countries to follow through on their climate finance pledges and to meet the USD100 billion goal as soon as possible and through to 2025.
- Build on lessons learned from the delivery of climate finance pertaining to the USD100 billion goal, including by ensuring an NCQG focuses as much on the effectiveness of climate finance as it does on dollars spent.
- Greater recognition that current climate finance flows are dwarfed by the needs of developing countries and that public grant-based finance from traditional contributors cannot meet needs of this scale. Parties should therefore endeavor to broaden the climate finance contributor base.
- Greater effort from Parties to enhance the capacity of public finance to leverage non-Party stakeholders, such as International Financial Institutions (IFIs), philanthropies and the private sector, including through the use of innovative financial instruments and support for incubators and accelerators.
- A comprehensive focus on improving access to climate finance, in particular for the most vulnerable and those groups on the forefront of climate impacts, such as Indigenous Peoples, across all modalities and sources of finance. Parties should support the

harmonization and streamlining of the existing climate finance architecture and ensure ease of access through simplified approval processes.

- A focus on direct access to climate finance from national and regional organizations to enhance developing country ownership of projects and programmes.
- An approach to adaptation finance that recognizes the importance of locally led adaptation approaches, including through supporting capacity building for the people and communities on the frontlines of climate change.
- Support for efforts to reform Multilateral Development Banks (MDBs) and International Financial Institutions (IFIs) in a way that allows them to better respond to climate change and enhance support for mitigation and adaptation. This includes urging MDBs to commit to ambitious adaptation finance targets and announcing enhanced climate finance targets.
- All Parties must continue to strengthen efforts to improve the transparency of implementation. Ensuring maximum transparency is key to tracking progress and identifying areas for improvement, as well as improving accountability related to the delivery of climate finance.

Technology transfer

Highlight progress made since the adoption of the Paris Agreement and remaining gaps:

- Parties have made significant efforts to scale up technology development and transfer since the adoption of the Paris Agreement. We are seeing the benefits of investing in technology RD&D. Technology development has led to tremendous reductions in costs. The unit costs of some technologies having decreased by up to 80%.
- Parties have made significant efforts to scale up technology development and transfer through the UNFCCC's Technology Mechanism – in particular fostering its relationship with the Financial Mechanism and supporting developing countries through accelerated access to GEF and GCF funding. The new Joint Work Programme of the TEC and CTCN also demonstrates a new collaborative approach that will help the bodies leverage each other's strengths to deliver stronger products and services to developing countries on both mitigation and adaptation priorities.
- Despite these important gains, the adoption of low-emission technologies lags in most developing countries, particularly least developed ones, due in part to limited finance, technology development and transfer, and capacity. The International Energy Agency estimates almost half of the emissions reductions to achieve net zero in 2050 will come from technologies still at prototype or demonstration stage. This underpins the

importance of scaling up the deployment of existing and readily available technologies, and to further support the research and development of new ones.

The global response with regard to technology development and transfer should include the following elements:

- Emphasis on international collaboration as a crucial foundation for supporting global progress through collaborative research and development, expert exchanges and learning that supports innovation. The GST should also recognize the role of community-level innovation at small and local scale, often women or Indigenous-led, which is tailored to specific needs on the ground.
- Greater efforts to create enabling conditions for more direct collaboration and open lines of communication between stakeholders is paramount to ensuring efficiency and effectiveness amongst the multitude of actors in the climate technology space. Other important enabling factors including building the necessary policy and regulatory capacity as a precursor to technology development deployment.
- Scaled up research and development in hard to abate sectors and in technologies. This includes tackling emissions from heavy industry sectors such as cement, chemicals, iron, and steel.
- Strengthened research to understand the role of technology and innovation in supporting transformational adaptation.
- Emphasize the need to stimulate private sector participation through public-private partnerships and other innovative approaches to support the upscaling of mitigation and adaptation technologies.

In addition to the above elements, there are opportunities to highlight important work on technology development and transfer underway within the existing bodies of the UNFCCC. For example, the GST should highlight the strides the Technology Mechanism has made in scaling up developing country access to critical climate technologies. This includes strengthened collaboration with the Financial Mechanism, and the new Joint Work Program of the Technology Mechanism, which is guided by science, aligned with the long-term goals of the Paris Agreement, and focused on high-potential sectors and high-impact actions.

Capacity building

Highlight progress made since the adoption of the Paris Agreement and remaining gaps:

- Parties have made significant efforts to scale up capacity-building support since the adoption of the Paris Agreement, including through the Paris Committee on Capacity building (PCCB).

- However, while capacity-building is critical for implementation, particularly in Least Developed Countries and Small Island Developing States, there are still gaps in accessing capacity-building and indicators of progress on are difficult to monitor. The fundamental challenges presented by climate change require the capacity to act to be strengthened in all countries, particularly in those developing countries where the underlying institutional and foundational capacities are less developed, and the risks and vulnerabilities can be much greater. Capacity limitations act as barriers across all dimensions of climate action, including mitigation, adaptation, enabling and using technology and finance, and averting, minimizing, and addressing loss and damage.

The global response with respect to capacity building could include the following elements:

- Recognize that capacity-building is foundational to achieving broad-ranging and sustained climate action and requires effective country-led and needs-based cooperation to ensure capacities are enhanced and retained over time at all levels.
- Recognize that successful capacity-building work is inclusive. It operates with strong multistakeholder engagement, a broad range of Parties, as well as academia, civil society, the private sector, Indigenous Peoples, youth, and sub-national governments.
- Call for strengthened efforts to improve the coherence and consistency of international cooperation on capacity-building.
- Encourage a greater focus on coordinated systemic capacity-building support that integrates across efforts related to mitigation, adaptation and averting, minimizing, and addressing loss and damage. The level of the level of strategic capacity-building to developing countries to address locally determined needs must be increased.
- Highlight best practices such as building networks and platforms for peer-to-peer collaboration, sharing lessons learned and simplifying access.
- Recognize the role of the Local Communities and Indigenous Peoples Platform, in strengthening the capacity of Indigenous Peoples to effectively engage in the UNFCCC process and for Parties to meaningfully engage Indigenous Peoples in their climate policies and action.
- Note that capacity building initiatives bridging the Rio Conventions, may also provide mutually beneficial outcomes to advance climate, biodiversity loss, pollution and other environmental and socio-economic development objectives.

C.4 EFFORTS RELATED TO LOSS AND DAMAGE

Highlight progress made since the adoption of the Paris Agreement and remaining gaps:

- Since the Paris Agreement was adopted, there have been significant advancements in international cooperation to avert, minimize, and address loss and damage, including in developing countries that are particularly vulnerable to the adverse effects of climate change. This is marked most recently by the adoption of the Landmark decision at COP28 to launch a new Loss and Damage fund and commitments to continue working on optimizing existing funding arrangements. The adoption of the Sendai Framework for Disaster Risk Reduction to achieve a substantial reduction in disaster risk and social, economic, and environmental losses is also an important marker of the international community's enhanced recognition of this critical issue.
- This progress reflects a grave reality. The growth of loss and damage associated with the adverse effects of climate change is deeply concerning. In the face of climate impacts, countries and communities in every region of the world are already experiencing loss and damage, with the gravest impacts particularly concentrated among the poorest vulnerable populations in Least Developed Countries and Small Island Developing States. This is resulting in devastating economic and non-economic losses, including forced displacement and impacts on cultural heritage, human mobility and the lives and livelihoods of communities, as well as the rights of Indigenous Peoples.
- Indigenous knowledge is particularly threatened by climate change. This is undermining Indigenous spiritual and cultural well-being, and exacerbating economic and other vulnerabilities by preventing the development and transmission of knowledge that is critical to things such as food security and health.
- While some response to loss and damage experienced by developing countries is addressed by existing support mechanisms spanning domains such as adaptation, disaster risk reduction, development and humanitarian assistance, resources currently deployed are overstretched and do not cover all losses and damage needs.
- While not all loss and damage can be avoided through mitigation and adaptation, urgent efforts to reduce emissions in line with 1.5 degrees and enhance resilience in the immediate term are crucial to avoid the most catastrophic impacts of loss and damage.

The global response to enhance efforts to avert, minimize, and address loss and damage should include:

- Continuing our commitment to significantly increase mitigation and adaptation action as the most efficient way to avoid the most catastrophic impacts of climate change. Without these efforts, the loss and damage response will remain insufficient.
- Improving loss and damage funding arrangements to the benefit of developing countries to ensure the international financial architecture remains responsive to their needs for assistance. CMA5 is expected to adopt a decision on operationalizing funding

arrangements for loss and damage, which could be recognized in the GST outcome.

- Significantly increasing by 2030 the capacity and resource planning activities of developing countries, with a focus on those that are particularly vulnerable to the adverse effects of climate change, to AMA loss and damage, including at the local, national, regional, and international level.
- In line with the United Nations Secretary-General's "Early Warning for All" Initiative, expanding universal coverage of early warning systems against hazardous weather, water or climate events by 2027, connected to risk management systems, and supported by effective risk communication and public stakeholder dialogue to prompt informed action.

C.5 EFFORTS RELATED TO RESPONSE MEASURES

Highlight progress made since the adoption of the Paris Agreement and remaining gaps:

- There is recognition that response measures can have adverse, positive and co-beneficial social, economic, and environmental impacts. Since the Paris Agreement's adoption, Parties and non-Party stakeholders have worked diligently, to assess and address such impacts, endeavouring to maximize the positive and minimize the negative impacts. This has, in turn, built capacity, informed policy and incentivized greater climate action. Gaps persist however, therefore work to assess the impacts of response measures remains pertinent to inform Parties' implementation of policies, including in the development of just transition strategies.
- While ambitious mitigation efforts have an overall positive effect on economies and societies these benefits may not be equitably distributed or fully realized. In this regard, a just and inclusive transition to sustainable jobs can create economic opportunities in a net-zero GHG future and ensure the workforce benefits from these opportunities in a manner that advances equity, inclusion, and fairness.
- Just transition of the workforce, including through economic diversification and transformation, supported by strong domestic policies and investments, including in skills development, can help to facilitate the transition to a net-zero GHG economy, ensuring the workforce is equipped with the skills and supports to drive net-zero industries.

Elements of the global response should include:

- Recognition that the costs of climate inaction will be many times greater than the investments urgently needed towards achieving resilient, inclusive and environmentally sustainable economies and societies.
- Recognition that ensuring a just transition is important for all countries at all levels of development, and for all economic sectors, the formal as well as the informal economy,

and should be in line with national development priorities.

- Encouraging all Parties to develop inclusive, rights-based just transition strategies to support their Paris-aligned transitions to net-zero, and to consider the importance of ensuring a just transition in the development and implementation of their NDCs and Long-term Strategies. Inclusive, just transition entails a strong gender dimension to address many of the barriers to employment while tackling environmental challenges and leveraging potential opportunities.
- Encourage an approach that is inclusive and addresses barriers to employment with an emphasis on encouraging the creation of employment opportunities for groups underrepresented in the labour market, including women, persons with disabilities, Indigenous peoples, Black and other racialized individuals, 2SLGBTQI+ and other equity-seeking groups. As reflected in Canada's interim Sustainable Jobs plan, the Government of Canada is committed to a worker- and people-centered approach to the net-zero future that is equitable, fair and inclusive.
- Encouraging continued assessment of response measures through the forum and the KCI, while ensuring a greater focus of co-benefits of response measures, including vis-a-vis health and biodiversity, with a view to better evaluate their impacts.

D. Enhancing international cooperation for climate action

Highlight progress made since the adoption of the Paris Agreement and remaining gaps:

- International cooperation is a critical enabler for achieving ambitious climate change mitigation, adaptation, and climate resilient development. The focus of the international community on climate change has expanded far beyond the UNFCCC and Paris Agreement, and cooperation on climate change is being pursued across multilateral, regional, and bilateral fora and initiatives, and integrated into the implementation of other multilateral environmental agreements. Governments are not the only actors driving strengthened international cooperation. Around the world, non-Party actors are taking climate action in ever greater numbers.
- In the context of a globalized world facing many interrelated crises and challenges, the role and value of multilateral cooperation to ensure climate action benefits all cannot be understated. Enhancing international cooperation on finance, technology and capacity building can enable greater ambition and can act as a catalyst for accelerating mitigation and adaptation, and shifting development pathways towards sustainability.
- **As part of the global response to enhancing international cooperation for climate action, the international community should:**

- Advance inclusive forms of cooperation that recognize and support the significant contribution of non-Party actors in bridging the gaps in climate ambition and the implementation of the Paris Agreement.
 - Recognize the important role of Indigenous Peoples and knowledge in undertaking effective action on climate change and, especially urge Parties to actively involve indigenous peoples and local communities in designing and implementing climate action on both mitigation and adaptation.
 - Encourage all Parties to facilitate the public participation of non-Party stakeholders, in the development and implementation of climate policy, including by creating the conditions, including domestic policies, which enable climate actions by non-Party stakeholders.
 - Recognize the importance of the work led by the Marrakech Partnership and the High-Level Champions in strengthening collaboration and enabling partnerships to align efforts and actions from all actors with the Paris Agreement goals.
 - Invite non-Party stakeholders to scale up their efforts and support actions to reduce emissions and/or to build resilience and decrease vulnerability to the adverse effects of climate change and demonstrate these efforts via the Global Climate Action Portal.
 - Highlight the important gender mainstreaming work that has been undertaken to date by Parties to implement the Lima Work Program and its Gender Action Plan, thereby advancing gender equality and the empowerment of women and girls, in all their diversity.
 - Acknowledge the growing interest and engagement of youth in climate action and the critical role of youth as agents of change, and the need for Parties to further enhance youth participation and leadership in climate action.
 - Call on Parties, Constituted bodies and the Financial Mechanism to meaningfully engage Indigenous Peoples in the development and implementation of climate policies and action, including by collaborating with and participating in activities of the Local Communities and Indigenous Peoples Platform, as well as by building upon and increasing spaces for formal participation by self-selected Indigenous representatives in UNFCCC constituted bodies and the various dialogues and workshops that inform their work (e.g., FWG, Santiago Network Advisory Body, Glasgow dialogue, GST dialogues, etc.).
- Improve coordination and enhancing synergies between international cooperation on climate change and other interrelated environmental and other priorities, including biodiversity, ocean health, water and food security.

- Underscore the opportunities presented by a synergistic approach to tackling climate change and biodiversity loss, including through nature-based solutions and/or ecosystem-based approaches. In this context, the GST decision should highlight the importance of cooperation with the UN Convention on Biological Diversity and delivering on the Kunming-Montreal Global Biodiversity Framework, including protecting 30% of terrestrial and inland water areas, and of marine and coastal areas by 2030 and to align biodiversity and climate action for greater impact and efficiency.
- Welcome the co-chairs' informal summary report from the Ocean and Climate Change Dialogue and encourage Parties to consider, as appropriate, ocean-based action in their national climate goals and in the implementation of these goals, including but not limited to nationally determined contributions, long-term strategies, and adaptation communications.
- Accentuate the importance of strengthening ocean-focused research and data management, bridging knowledge gaps and promoting standardized data sharing to effectively integrate the ocean into climate commitments.
- Welcome the work of the Forests and Climate Leaders Partnership to accelerate global progress to halt and reverse forest loss and land degradation by 2030, including through the mobilizing of finance for forests and by encouraging green construction with wood, and invite partners from the public and private sector to contribute to the partnership.
- Continue to support strengthened international cooperation on climate change science as an essential basis for advancing understanding of climate change risks and responses, and global progress.
 - Invite the research community to address the research needs and knowledge gaps identified during GST1 and in the IPCC Sixth Assessment Report to strengthen the science and knowledge basis for responding to climate change and in support of the Seventh IPCC assessment
 - Stress the vital role of sustained long-term systematic observations of the climate system and the need to address systematic observation gaps to enhance understanding of climate change and climate-related risks and for enhanced delivery of climate services and early warning systems. Recognize the need for enhancing access to climate-related data and knowledge in particular for vulnerable countries and communities.

- Recognize that expanding ocean-based observation and research can further collective knowledge of the ocean-climate nexus and enhance climate action.
- Encourage enhanced cooperation between the IPCC and the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES) for a more integrated and comprehensive approach to tackling climate change and biodiversity loss.
- **Facilitate the use of cooperative mechanisms to support enhanced ambition.**
 - The GST should emphasize the potential for high integrity carbon credit markets to drive global climate ambition, including towards the implementation and enhancement of NDCs.
 - Recalling the purpose of Article 6 is to allow for higher ambition in Parties' mitigation and adaptation efforts, and to contribute to sustainable development, Canada encourages Parties to implement Article 6 in line with the robust rules, guidance and procedures developed multilaterally to avoid double-counting and to uphold highest standards of environmental integrity, as well as to ensure safeguards for human rights and the rights of Indigenous Peoples. Canada also recognizes the importance of capacity building and the need for enhanced support for transparency and monitoring, reporting, and verification in establishing credible and effective carbon market and carbon pricing systems.

E. Guidance and way forward

In Canada's view, the majority of the substantive guidance related to the long-term goals of the Paris Agreement and thematic areas of the GST should be embedded within the preceding sections of the submission.

This concluding section of the decision could be utilized to summarize next steps for the GST process, including any possible milestone for 2024 such as the submission of first biennial transparency reports by December 31, 2024.